

AN ACT

relating to the Texas Mutual Insurance Company and the application of certain statutes to the Texas Mutual Insurance Company.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsection (c), Section 2054.003, Insurance Code, as effective April 1, 2007, is amended to read as follows:

(c) The company is not a state agency or executive agency or a governmental entity for any purpose.

SECTION 2. Section 2054.007, Insurance Code, as effective April 1, 2007, is amended to read as follows:

Sec. 2054.007. ~~[APPLICABILITY OF]~~ OPEN MEETINGS LAW AND OPEN RECORDS LAW NOT APPLICABLE. Notwithstanding any other state law, Chapters ~~[(a) Except as otherwise provided by Subsection (b), Chapter]~~ 551 and 552, Government Code, do not apply ~~[applies]~~ to the company.

~~[(b) The board may hold closed meetings to consider:~~

~~(1) information relating to claims, rates, or the company's underwriting guidelines, or~~

~~(2) other information that would give advantage to a competitor or bidder.]~~

SECTION 3. The heading to Section 2054.008, Insurance Code, as effective April 1, 2007, is amended to read as follows:

Sec. 2054.008. INVESTIGATION FILES ~~[APPLICABILITY OF PUBLIC INFORMATION LAW]~~.

1           SECTION 4. Subsection (d), Section 2054.008, Insurance  
2 Code, as effective April 1, 2007, is amended to read as follows:

3           (d) Except as provided by Subsection (e), a company  
4 investigation file:

5           (1) is confidential [~~and not subject to required~~  
6 ~~disclosure under Chapter 552, Government Code~~]; and

7           (2) may be disclosed only:

8           (A) in a criminal proceeding;

9           (B) in a hearing conducted by the commission;

10          (C) on a judicial determination of good cause; or

11          (D) to a governmental agency, political  
12 subdivision, or regulatory body if the disclosure is necessary or  
13 proper for the enforcement of a law of this state, another state, or  
14 the United States.

15          SECTION 5. Subsection (b), Section 2054.256, Insurance  
16 Code, as effective April 1, 2007, is amended to read as follows:

17          (b) The [~~Except as otherwise required or permitted by~~  
18 ~~Chapter 552, Government Code, the~~] company may not provide to an  
19 insurance agent information obtained from another insurance agent.

20          SECTION 6. Subsections (b) and (c), Section 2054.008,  
21 Insurance Code, as effective April 1, 2007, are repealed.

22          SECTION 7. The change in law made by the amendment of  
23 Section 2054.008, Insurance Code, by this Act applies to  
24 information maintained in investigation files of the Texas Mutual  
25 Insurance Company without regard to the date the information is  
26 collected, compiled, or developed or otherwise becomes part of the  
27 investigation file.

1 SECTION 8. This Act takes effect immediately if it receives  
2 a vote of two-thirds of all the members elected to each house, as  
3 provided by Section 39, Article III, Texas Constitution. If this  
4 Act does not receive the vote necessary for immediate effect, this  
5 Act takes effect September 1, 2007.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 192 passed the Senate on March 14, 2007, by the following vote: Yeas 30, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 192 passed the House on April 19, 2007, by the following vote: Yeas 142, Nays 0, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor